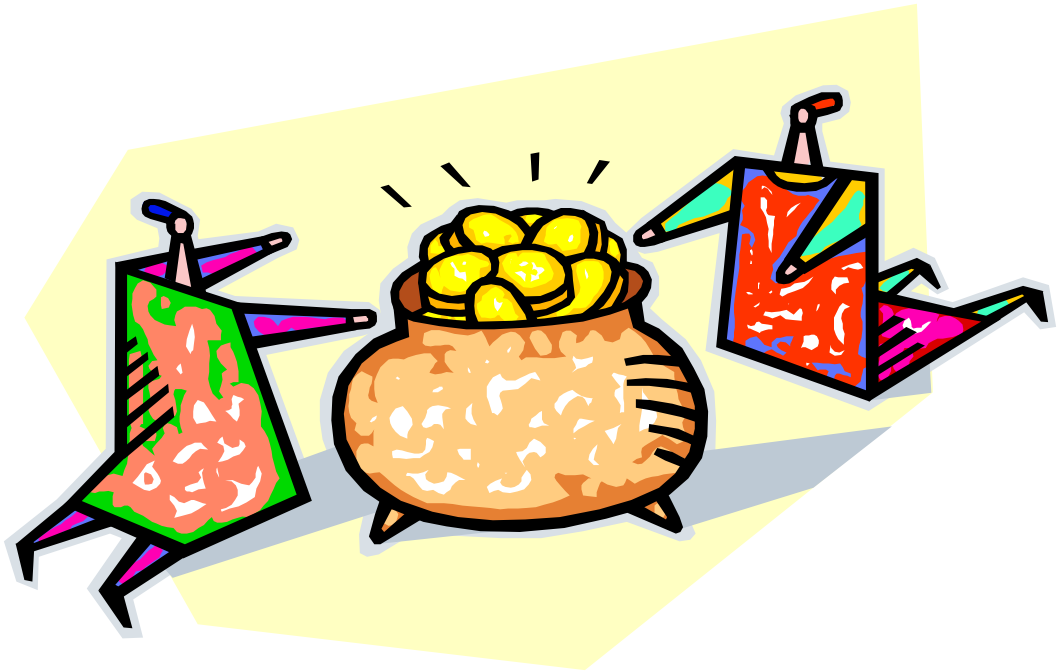
NAF Retirement Plan

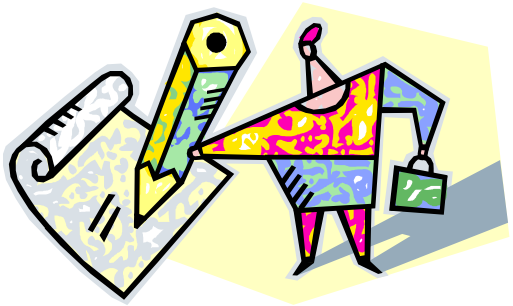


No matter how near or far, your future needs your attention…, now!

What's Here…

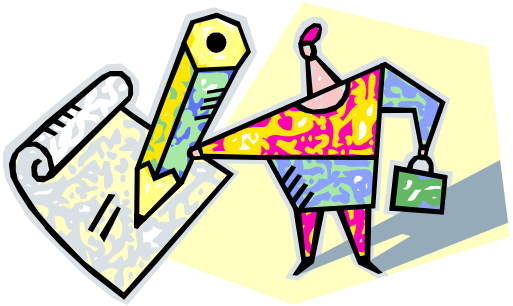
- Enrollment
- Employee Contribution
- Important Definitions
- Eligibility for Annuity
- Basic Annuity
- Early Retirement
- Social Security Offset
- Survivor's Benefit
- Additional Information
- That's all…

Enrollment, Page 1 of 2



- Employed by CNIC as a Regular NAF employee in a full-time or part-time category
- United States citizen working in the United States or overseas
- Citizen of a different country employed in the United States

Enrollment, Page 2 of 2



- May join the plan on the first day of any pay period after a year of continuous service
- Should the employee join within 30 days of one year of service, he/she will receive credit for the first year of employment at no cost

Employee Contribution

- Currently employees contribute at the rate of 1% per year
- This contribution rate can change, however it has been stable since 1 March 1991
- From December of 1975 to March 1991 the employee contribution rate has changed **four** times
- To change the contribution rate the Trustees adopt an amendment to the plan

Important Definitions

- Continuous Service – Service as an employee
- Credited Service – Time in the plan (including unused sick leave which is factored into your annuity calculations)
- High Three – Highest earnings for any 36 months working as a NAF employee in which contributions were made
- Annuity – The amount of retirement benefits you receive per year

Eligibility for Annuity

Retirement Type	Age	Years of Service
Normal	62	5
Early Unreduced	55 or 60	30 or 20
Early Reduced	52	5
Involuntary Early	Any Age or 50	25 or 20

Basic Annuity

Credited Service	(%) x (Average High 3)
First Five	1.5%
Next Five	1.75%
Every Year after 10	2%

Early Retirement Deduction – 1/3 of 1% reduction for each month
before age 62

Involuntary Early Retirement Deduction – 1/6 of 1% reduction for each month before age 55

Early Retirement, Page 1 of

- You may retire early after you reach age 52 and complete five years of service, with a reduced annuity.
- You are eligible to receive reduced benefits between age 52 and 62 subject to a 4% reduction for each year under age 62.
- See table on next slide…

Early Retirement, Page 1 of

Age At Retirement:	Percentage of Annuity Paid:	Age At Retirement:	Percentage of Annuity Paid:
52	60%	58	84%
53	64%	59	88%
54	68%	60	92%
55	72%	61	96%
56	76%	62	100%
57	80%		

Social Security Offset
Page 1 of 2

For Each Year of Credited Service	(%) x (Credited Service)
Between 9/1/74 and 8/31/79	1.5%
After 9/1/79	2.5%

Product of calculation is subtracted from the expected Social Security Amount (not to exceed 50% of the SS benefit)

Then Annuity is Reduced – **Social Security Check is not touched**

Social Security Offset
Page 2 of 2

- Your annuity will be paid in full, without the Social Security Offset until age 62.
- At age 62, your retirement annuity will be reduced and the offset will apply.
- Your annuity will be reduced by 2.5% of your Social Security Benefits times the number of years of creditable service.
- You should be able to check your annual statement from the Social Security Administration to determine your offset. Please remember that the Social Security Offset does not apply until you reach age 62.

Survivors Benefits

- Annuity is reduced by 10%
- Survivors benefit is 55% of annuity
- Must elect at retirement – no post retirement elections unless there is a marriage change

Additional Information

- See benefits information on the MWR Website. Select “Personnel” then “Benefits”
- See NAF Retirement Plan Outline:

  http://138.164.10.95/benefits/retirem.htm
- See Retirement Calculator for estimation purposes only:

  http://138.164.10.95/benefits/RetireCalc.xls

That’s all for now…

Your future deserves your attention right now, what are you going to do about it?

Suggestions and requests to:

Commander, Navy Installations Command (CNI)
Millington Detachment
Human Resources Branch, N253
Millington, TN 38055-6540

Com: (901) 874-6736 DSN: 882-6736
dave.hobson@persnet.navy.mil